

Fuel for Fleets and Economic Growth







Clean Cities Conference Washington, DC June 1998

Innovative Fuel Products

Made from renewable materials



Alternative fuels and gasoline blends



Diesel blends



Gasoline oxygenates



Related additives

P-Series: Good for Fleets

Fuel: Liquid alternative motor fuel (patented)

Uses E-85/M-85 spec distribution equipment

Vehicles: Light duty, spark ignited

Flexible Fuel Vehicles (FFV)

Performance: Lower emissions

More horsepower

Cold weather starts

Economics: Fuel <u>competitive with gasoline</u>

No extra cost for FFVs

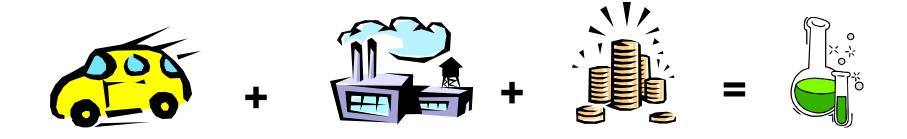
EPACT: "Alternative Fuel" designation pending

Availability: <u>Now</u> for demonstration programs

Two-year lead time for prod. plants

Engineered Fuels Concept

Formulating complex blends to meet performance objectives



Performance Characteristics Production Systems

Economics

Objectives: design a new alternative fuel for use in light duty vehicles (SI engines)

- Consistent with EPACT
 - Non petroleum
 - Energy security
 - Environmental benefits
- Compatible with CAAA
- Uses existing vehicles and infrastructure
- Renewable
- Economically competitive



Process: engineering the formulation

BTU Octane RVP Cost Renewable **Ethanol** Pentanes + **Co-solvent**

Result: high performance patented motor fuel*



- Easy to use liquid
- Miscible with gasoline
- Runs in "no extra cost" FFVs
- To be produced via integrated system
- Feedstock sourced locally
- Favorable health and safety profile
- Good biodegradation

^{*} Pure Energy is exclusive worldwide licensee from Princeton University. US patent 5,697,987

Result: compelling characteristics

P-Series	Gasoline
. 001100	

BTU/gal	~100,000	112,000-115,000
(R+M)/2	up to 97	up to 94
RVP	6.8 +	6.8 +
Sulfur	<9 ppm	100-300+ ppm

Cost Competitive



P-Series

Result: Lower emissions

P-Series outperformed CA II RFG in FTP and US06 tests in Ford Taurus E-85 FFV's

Hydrocarbons Ozone forming potential **Total toxics**

vs. CA II RFG

30% - 70%

40% - 60%

_40% - 80%

Life cycle greenhouse gases ____50% - 70%



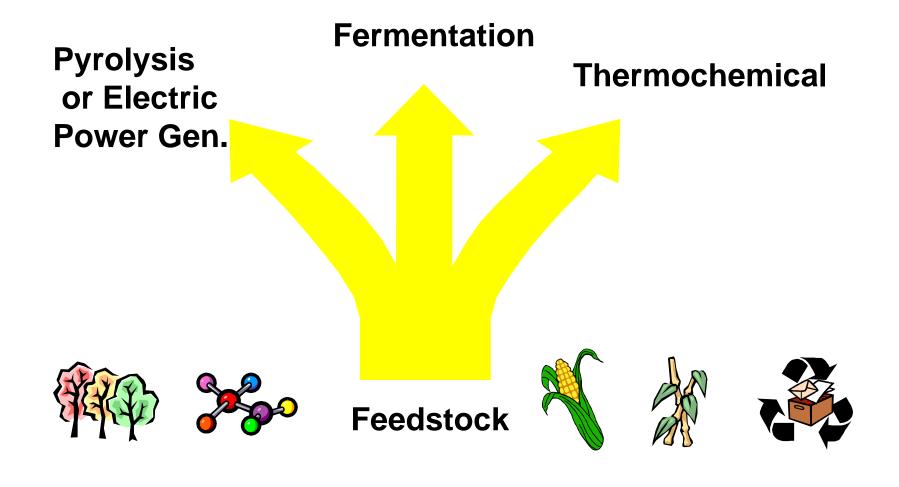


P-Series

Current Activities

- Seeking fleets for demonstrations
- Designing commercial scale plants
- Structuring distribution agreements
- Locating strategic partners
- Completing government compliance
- Performing additional vehicle testing

Integrated Production of Fuels & Chemicals



Ligno-cellulosic Feedstock

Flexibility to use many feedstocks

Agricultural wastes & crops

Rice straw, corn stover bagasse, grasses



Municipal wastes

paper, cardboard const/demo wood



Industrial wastes

wood chips, pallets sawdust



Chemicals

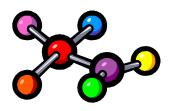
- Environmentally friendlier production techniques
- Competitive production costs
- Potential new uses from lower price points and/or greater availability
- Use existing distribution channels



Chemicals

Products, co-products and by-products

- Alcohols
- Solvents
- Carboxylic acids
- Lignin-based chemicals
- Esters & ester salts
- Organic acids
- Plasticizers



Contacts

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